

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Joint Application of SBC Communications Inc. (SBC) and AT&T Corp. (AT&T) for Authorization to Transfer of AT&T Communications of California (U-5002), TCG Los Angeles, Inc. (U-5454) to SBC, Which Will Occur Indirectly as a Result of AT&T's Merger With a Wholly-Owned Subsidiary of SBC, Tau Merger Sub Corporation.

Application 05-02-027
(Filed February 28, 2005)

**ADMINISTRATIVE LAW JUDGE'S RULING
GRANTING MOTION TO COMPEL AND RECLASSIFY
DISCOVERY DOCUMENTS**

The ruling grants the motion filed on May 5, 2005 by The Utility Reform Network (TURN), subject to the terms as ordered below. TURN's motion seeks a Commission order "to compel and reclassify discovery responses" provided by Joint Applicants in this proceeding. Specifically, TURN seeks a Commission order compelling production of discovery responses and materials relating to Joint Applicants' claims of California-specific benefits from the proposed merger transaction.

TURN's discovery dispute focuses principally on Exhibit 1, as contained in the Joint Supplemental Application, which presents a "Calculation of California Synergies," regarding estimated savings on a California-specific basis resulting from the merger and acquisition proposed by Applicants. TURN claims that Applicants have refused to supply requisite work papers or supporting documentation associated with the calculations in Exhibit 1, and thus seek an

order to compel production of the information so that TURN may understand and validate the calculations.

Joint Applicants filed a reply to TURN's motion on May 10, 2005, opposing TURN's motion. Applicants, however, also offered to provide access to certain additional information to TURN, as noted below. In support of its response, Applicants attached the Declarations of James B. Young, Patrick S. Thompson, and Rick Moore. A response to TURN's motion was also filed by XO Communications, Inc. TURN filed a third-round reply on May 16, 2005, attaching the Declaration of D. Scott Cratty. Parties' pleadings have been taken into account in ruling upon this motion.

Summary of Relief Requested

Specifically, TURN seeks an order to produce:

- (a) A complete electronic (native format) copy of the "national synergy model" or, alternatively, TURN seeks an order striking the use of any result from that model by the Applicants, and requiring Applicants to produce an independent basis for their estimate of California-specific merger benefits.
- (b) Full documentation and supporting material concerning the national synergy model.
- (c) Complete responses to TURN Data Requests 1-8, 1-9, 1-14 through 1-18, and 3-2, including provision of complete versions of the six "no copies" documents, as discussed below, under the standard terms of the Nondisclosure and Protective Agreement that is being used in this proceeding.

In support of its Motion, TURN argues that in refusing to provide the above-requested materials and responses, Joint Applicants have failed to comply with Commission Rules of Practice and Procedure, Rule 74.3, which provides that:

- (a) Any party who submits testimony or exhibits in a hearing or proceeding which are based in whole, or in part, on a computer model shall provide to all parties, the following information:
 - (1) A description of the source of all input data;
 - (2) The complete set of input data (input file) as used in the sponsoring party's computer run(s);
 - (3) Documentation sufficient for an experienced professional to understand the basic logical processes linking the input data to the output, including but not limited to a manual which includes:
 - (i) A complete list of variables (input record types), input record formats, and a description of how input files are created and data entered as used in the sponsoring party's computer model(s).
 - (ii) A complete description of how the model operates and its logic. This description may make use of equations, algorithms, flow charts, or other descriptive techniques.
 - (iii) A description of a diagnostics and output report formats as necessary to understand the model's operation.
 - (4) A complete set of output files relied on to prepare or support the testimony or exhibits; and
 - (5) A description of post-processing requirements of the model output.

Disposition of Discovery Issues Raised in the Motion

Provision of Electronic Copy of the National Synergy Model

Parties' Positions

TURN seeks a Commission order requiring Applicants to produce an executable electronic copy of the "full national synergy model" which Applicants cited as the source for rows 6 and 9 of their Exhibit 1, which is a one-page summary of Applicants' "Calculation of California Synergies."

TURN argues that without access to the electronic copy of the model for analysis and verification of the calculations, it cannot determine if Joint Applicants are understating California benefits by misallocating costs or double counting merger implementation costs. TURN indicates that nearly half of the total “no copies” material that was made available for review appears to be a paper printout of a version of the “national synergy model” previously requested by TURN. TURN believes this model to be the source of the claims that Joint Applicants have made to the media and to investors concerning the expected national merger-related synergies. Without a complete, electronic version of the national synergy model (as compared with only a paper printout), TURN contends that it is impossible to adequately review the component spreadsheets.

Applicants contend that they have provided the relevant materials to TURN as necessary to evaluate the California-specific benefits of the SBC/AT&T transaction. TURN denies that it has been given access even to the actual California-specific merger benefits model used by Joint Applicants, even on a “no copies” basis. TURN cites the May 9, 2005 e-mail from Patrick S. Thompson to Bill Nusbaum included at the end of the e-mail chain presented in Exhibit 7 to Mr. Thompson’s Declaration. The e-mail chain in that Exhibit indicates Joint Applicants had only provided TURN with “no copies” access (at the premises of SBC’s outside counsel) to a six-page hard-copy document relating to this model.

In its filed response to the Motion, Applicants further agreed to provide by the close of business on May 11, 2005, an electronic version of the California-specific model used to support Exhibit 1 to the Supplemental Application. Applicants offered to make available its California-specific model and related work papers on a “no-copies” basis.

Applicants also agreed to provide access to supporting working papers for the model at TURN's convenience on a "no copies" basis.

Applicants, however, still oppose providing TURN with either an electronic version or a hard copy of SBC's "national synergies model."

Applicants assert that the national synergies model is highly confidential and/or trade secret information, and that giving TURN any access beyond "no copies" review would place the Applicants at an undue competitive risk. SBC's senior management team considers the inputs, outputs, and the Model itself to be extremely sensitive and made available only on a "need-to-know" basis.

Joint Applicants accordingly oppose providing TURN with an electronic copy of the national synergies model. Instead, if the Commission does grant TURN any additional access to the national model over Applicants' objections, Applicants propose as an alternative running the model for TURN, and providing up to three model run scenarios changing the inputs as requested by TURN.

Applicants also claim that the national model is irrelevant to TURN's inquiry concerning California-specific benefits, and does not fall under the requirements of Rule 74.3. Given the global nature of the transaction, applicants claim they did not focus on the California-specific quantifiable benefits in evaluating the merger. Applicants acknowledge that they used several outputs from the national synergies model as inputs to the California-specific model. Applicants claim that Rule 74.3 only requires that they provide the inputs used, together with the model, itself, that is used to support the application. Applicants claim that the rules do not require further probing of the inputs where such inputs were not developed for any regulatory purpose.

TURN disputes Applicants' claim that the national synergies model was not created for purposes of this proceeding. In their comments filed on May 16, 2005, TURN claims that subsequent to replying to TURN's motion, Applicants revealed that the run of their national synergies model used to generate inputs for the California-specific analysis of merger benefits is *not* identical to the one on which SBC's management relied in making its decisions to pursue the acquisition of AT&T. TURN indicates that the California benefits calculation assumed a merger closing date that is different from the one assumed in the presentation to SBC's Board of Directors.

Discussion

Given the fact that separate California-specific model provided to TURN includes outputs from the national synergies model, both the California model and the national synergies model are relevant with respect to the determination of California-specific benefits from the merger transaction. California Pub. Util. Code § 1821, et seq. requires that any computer model that is the basis of testimony be available to, and subject to verification by the Parties.

Moreover, to the extent that Applicants' California-specific analysis assumed a different merger closing date compared to the date on which SBC's management relied in making its decisions to pursue the acquisition of AT&T, it is apparent that Applicants utilized the national model to generate input into the California-specific analysis which is relevant to the analysis of merger benefits at issue in this proceeding.

Applicants' limited offer to provide access only to the California-specific model does not satisfy the requirements of Rule 74.3 as they relate to the national synergies model used to develop inputs for the California-specific merger benefits analysis. Rule 74.3 provides that "any party who submits testimony or

exhibits in a hearing or proceeding which is based in whole, or in part, on a computer model” shall provide” [a] description of the source of all input data,” a “complete set of input data,” and “documentation sufficient for an experienced professional to understand the basic logical processes linking the input data to the output.”

Therefore, Applicants’ claim that the national synergies model is not subject to the requirements of Rule 74.3 is not supported by the explicit requirements of the Rule. The Rule requires “[d]ocumentation sufficient for an experienced professional to understand the basic logical processes linking the input data to the output.” Applicants have admitted using certain outputs from the national synergies model as inputs to the California-specific model. Rule 74.3 thus requires Applicants to enable TURN to understand “the basic logical processes” whereby the data used from the national synergies model is linked to the resulting output of the California-specific analysis.

The Rule provides that a party sponsoring such exhibits or testimony supported by a computer model “may, at its election” either make the requested runs on its own computer, make the model available to the requesting party, or have the requested model produced for the requesting party by an external computer party. Here, the Applicants express a preference for the option of making the requested runs themselves, and permitting TURN to specify changes in variables for up to three runs.

Requiring Applicants to provide electronic access to their model is also consistent with the discovery standard in other merger proceedings before this Commission. In the Declaration of Young, he attests that in the previous SBC/Pacific Telesis merger proceeding (A.96-04-038), there was no “national synergy model” used by Pacific Telesis, but that the only synergy analysis

conducted in that proceeding was limited to Telesis and its major subsidiary at that time, Pacific Bell. Yet, as Young also attests, the synergy analysis used in that proceeding was the only one upon which the Telesis Board of Directors relied in voting to approve that merger transaction. Thus, in that proceeding, the Commission did not prohibit parties from doing discovery related to a national synergy model. There simply was no calculation on a national synergies basis at issue in that proceeding. By contrast, here, a national synergies calculation forms an essential input into the calculation of California-specific merger benefits. Moreover, in other merger proceedings where a calculation of national synergies was involved, the basis for such calculations was discoverable by parties.

As attested in the Declaration of Scott Cratty, consultant for TURN, in the Bell Atlantic/GTE merger proceeding, the applicants provided total nationwide benefit and cost analysis conducted prior to the merger as the basis for estimating California savings. Likewise in the currently pending application for the Verizon/MCI merger, the applicants provided details of the categories and amounts of expected savings as determined on a national level.¹

Joint Applicants' offer to make up to three runs of the national synergies model is not a substitute for compliance with the other requirements of Rule 74.3 regarding model documentation. Rule 74.3 requirements apply even if the sponsoring party offers (under Rule 74.4) to perform model runs on behalf of other parties, rather than provide parties with a copy of the computer model used to generate the party's testimony or exhibits. Joint Applicants still must provide "a complete list of variables (input record types), input record formats"

¹ Cratty Declaration, ¶ 14

and “a complete description of how the model operates and its logic” as required by Rule 74.3(a)(1) before TURN could form the requisite understanding as a basis to formulate requests for model reruns or determine how many such runs might reasonably be required.

As indicated by the chain of e-mails attached as Exhibit 7 to the Thompson Declaration, however, Joint Applicants did not provide TURN with a complete listing of the inputs to the national synergies model even after TURN’s consultant, Mr. Cratty, asked how TURN would be able to identify the inputs to be submitted to Joint Applicants for such a model.

In their subsequent reply filed in response to the Office of Ratepayer Advocates (ORA) Motion to Compel, separately filed in this proceeding, Applicants have agreed to make available both to ORA and TURN for two business days under restricted conditions for two business days the following materials at the offices of SBC’s California counsel, Pillsbury Winthrop Shaw Pittman LLP:

- (1) a fully executable and manipulable electronic version of the national synergy model that generated outputs considered by the SBC board;
- (2) a fully executable and manipulable electronic version of the additional run that was performed that adjusted the timing for the closing of merger and generated inputs used in the California-specific model;
- (3) a fully executable and manipulable copy of the model that SBC used to calculate the stand alone financial performance and value of AT&T independent of any transaction (the foregoing three runs and models are referred to collectively as the “Models”); and
- (4) electronic and (where applicable) manipulable copies of all of the worksheets that were prepared by SBC’s Corporate

Development department in connection with the preparation of the Models (hereafter referred to as the “Worksheets”).

As explained in the Declaration of Rick Moore, attached to Applicants’ response to the ORA Motion, these are all the materials that were used by SBC’s Corporate Development department, which was charged with preparing the models used in connection with SBC’s internal analysis of merger synergies, and the California-specific synergies model. Moore Decl., ¶ 8.

Asserting highly sensitive nature of these materials and the need to maintain strict controls of their dissemination, Applicants also seek a protective order limiting the time that such material must be made available for review by ORA and TURN to two business days, and limiting access to conditions within SBC’s custody and control.

Applicants also ask that the Commission issue an order that SBC is not required to turn over an electronic copy for unfettered, uncontrolled use. Applicants argue that such a ruling would be consistent with California law, which permits that “discovery may be denied altogether or disclosure narrowly limited to certain persons for certain purposes” when it involves commercially sensitive information such as the national synergies model. 2 Weil & Brown, *Cal. Prac. Guide: Civ. Pro. Before Trial* §8:1456 (The Rutter Group 2004) (citing Civ. Proc. Code § 2031(f)(5)).

Without prejudging any of the separate issues relating to the ORA Motion to Compel, it is ruled that Applicants’ offer to provide access to the above-referenced models to ORA and TURN, under the controlled conditions as proposed by Applicants is hereby incorporated as a requirement of this ruling, with certain modifications, as noted below. In this manner, Applicants shall be permitted to maintain control of access to the electronic model given its

commercial sensitivity, while ORA and TURN are enabled to gain access to the model.

Applicants' "no copies" restriction, as described below, shall not be imposed either on TURN or ORA. Applicants propose to provide these materials confidentially only on a no copies basis. The "no copies" restriction means that ORA and TURN's counsel and consultants could take notes, but SBC would not be required to turn over electronic Models and Worksheets for use in environments that would interfere with SBC's continuing custody and control of its proprietary information. Any notes or reflections or references to this review would be maintained as required by state law and the Non-Disclosure and Protective Agreement executed by TURN.

Applicants' concerns about protecting the confidentiality of copies of any such documents provided to TURN are addressed by subjecting such copied paper documents to the strict nondisclosure requirements of the Nondisclosure Agreement signed by TURN. The same restriction shall apply to any notes that are taken relating to the model. The following section of this ruling discusses in more detail the issue of the "no copies" restriction.

Also, as part of their offer, Applicants ask that ORA and TURN be summarily prohibited from asking any further questions about the models. Such a restriction is unduly draconian and arbitrary. Parties shall be permitted to propound reasonable discovery as necessary to make their complete showings in this proceeding.

Provision of Responses to Data Requests Including “No Copies” Documents

Position of TURN

TURN also seeks a Commission order requiring production of responses to its Data Requests 1-8 and 1-9, 1-14 through 1-18, and 3-2. In these requests, TURN sought the underlying data and related key internal documents concerning assumed merger benefits. To the extent that Applicants provided responsive information, the material was heavily redacted. Moreover, TURN was permitted to review of the documents in a paper-only format at a location designated by the Joint Applicants, and TURN was prohibited from making any copies of the materials.

TURN argues that even after reviewing the paper-only documentation provided at Applicants’ designated location, TURN cannot determine if relevant material is being withheld. Also, TURN contends that the “no copies” restriction on the review of this material precludes it from reasonably analyzing Applicants’ claims in a full and complete manner and presenting the most effective case to the Commission. TURN cannot attach copies of any of that material to its testimony as supporting Exhibits or use copies of that material as cross-examination Exhibits. Joint Applicants have also prevented TURN from serving the proprietary version of its Motion to Compel on other parties² and have required ORA to treat as confidential even the data requests that ORA has

² See Comments of XO Communications Services, Inc., regarding the Motion of The Utility Reform Network to Compel and Reclassify Discovery Responses, 5/10/2005, p. 3.

generated based on its review of the documents provided to ORA,³ which has precluded TURN from seeing and reviewing those requests.

TURN expresses the concern that if parties sought use this material in testimony or briefs, they would have to produce multiple different proprietary versions of those filings, some of which would only be available to one party other than Joint Applicants. Thus, even parties to the Non-Disclosure Agreement would not be able to see the entire case presented by other parties. TURN argues that such restrictions unreasonably impede parties' ability to present their full showings to develop the record in the proceeding.

A brief description is set forth below of each of the specific "no copies" documents which are the subject of TURN's motion to compel.

Document 1: Provision of Electronic Copy of "Project Olympus Synergy Model"

Parties' Positions

In response to TURN's request, Joint Applicants provided a 60-page "no copies" printout of material titled "Project Olympus, Synergy Model." TURN claims that the paper printout is inadequate because it does not allow tracing of the underlying formulas used to make calculations in the model to determine if they are correct, how they relate, or if they make sense. The paper printout likewise fails to distinguish data inputs from model outputs, and in many cases lacks labels to identify what the numbers shown in the printout represent.

³ ORA Motion to Compel, 5/13/05, p. 10, n. 9.

Document 2: Project Olympus (Preliminary), Management Briefing Book

TURN seeks production of a second document that was provided on a “no copies” basis by the Applicants. The document appears to be a companion document to the national synergy model (described above), which provides a basic and very summary explanation of assumptions used in developing the model inputs. TURN argues that production of this documentation is necessary to provide some sense to the numbers that appear as assumptions in the model.

Joint Applicants only made available pages labeled 35 through 67 of this document. TURN argues that without the opportunity to review the missing material, it is impossible to provide specific arguments as to why the information would be relevant. Applicants indicate that these materials are highly confidential, and SBC removed pages that it considered to be non-responsive to TURN’s inquiry.

Document 3: Project Olympus, James S. Kahan

Joint Applicants supplied only the title page and pages labeled 9 and 18 of the “no copies” Document 3. TURN describes this material as lacking any labeling, without context, and undated. TURN therefore finds it impossible to determine its application and potential relevance.

Document 4: Project Olympus, Board of Directors Update, January 30, 2005

Joint Applicants provided only a heavily redacted version of this document, including pages labeled 15-18 and 25-31. TURN argues that this document could provide significant insight into the overall scope and nature of benefits that Joint Applicants hope to achieve as a result of the merger

Document 5: California Synergy Analysis, Key Assumptions

TURN believes that Joint Applicants’ calculations could not easily be replicated without the additional guidance provided in Document 5. Moreover,

because Applicants appear to claim that this calculation is based on California-specific data, TURN argues that Applicants' rationale for "no copies" treatment of documents relating to national synergy data do not apply here.

Document 6: Project Olympus, Presentation to the Board of Directors by Lehman Brothers/Evercore Partners

Joint Applicants have provided only a heavily redacted version of Document 6, with 15 selected pages, including pages labeled 4-8, 11, 15, 20-21, 27-28, 32, 34 and 36. Based on the manner in which the selected pages are spaced, TURN infers that the missing pages would probably supply relevant context. TURN argues that the Commission record would benefit from access to the same level of detail that the Joint Applicants Boards of Directors considered.

Position of Applicants

Applicants continue to withhold the above-referenced paper-only documentation. Joint Applicants contend that the withheld documents are not relevant to the synergies model or the California-specific analysis of savings. The Nondisclosure and Protective Agreement being utilized by Applicants in this proceeding includes a provision allowing the producing party to designate highly sensitive information as being subject to "no copies." Joint Applicants also assert that they have reserved the "no copy" designation only for about 100 pages that SBC believes is entitled to the highest level of protection. TURN argues that access to full copies of this documentation is required in order to reasonably evaluate Applicants' claims.

Discussion

TURN does not dispute Applicants' assertion that the national synergy model and related documentation require confidential treatment. The question is whether the Applicants have justified that the "no copies" rule must be

imposed on TURN in order to protect such confidentiality. It is concluded that Applicants have not shown how the protection of its highly confidential materials relating to the national synergy model would be compromised merely by permitting TURN to make copies subject to the restrictions of parties' nondisclosure agreement protecting confidential data.

Applicants state that if such highly confidential information were made public or disseminated to competitors, it would give competitors an unfair competitive advantage and may even risk derailing the merger. Yet, the Applicants have already permitted TURN's counsel and consultants to review those confidential documents, and to take unlimited notes on the material and to take those notes with them.⁴ Thus, it is not explained as to how the "no copies" rule needs to be imposed on TURN in order to provide Joint Applicants with adequate protection of confidential information. Confidential information is already protected by the personal integrity of TURN's counsel, in-house analysts and consultants and their respect for the legal requirements in the Nondisclosure Agreement.

Moreover, Applicants have already made available to ORA a hard copy of the "no copies" information, even though they refuse to make hard copies similarly available to TURN. Applicants seek to justify treating ORA and TURN differently by claiming "[u]nlike TURN, ORA is bound by statute and the Commission's rules to maintain confidentiality, and improper disclosure of the confidential information is a criminal offense. See Pub. Util. Code § 583."⁵

⁴ *Ibid.*, ¶¶ 8-9.

⁵ Joint Applicants' Reply , p. 2, footnote 2.

TURN strongly disputes Joint Applicants' implication that TURN and its consultants cannot be trusted to comply with the confidentiality restrictions without the criminal penalties that would apply in the case of ORA's improper disclosure of the confidential information. Moreover, TURN has been provided access to equally, if not more, sensitive data subject to nondisclosure agreements, both in this proceeding and in several other proceedings.

Rather than ordering Applicants to provide the withheld pages to TURN at this time, SBC suggests as an alternative submitting those pages to the assigned ALJ for in-camera review. Based on the in-camera review, a further determination would be made as to whether the withheld pages are relevant to TURN's inquiry, and whether, or to what extent, TURN should be granted further access to the information on such pages. Yet, given the fact that TURN is bound by the provisions of the nondisclosure agreement, it is unnecessary to add the additional step of an in-camera inspection by the ALJ. TURN can perform its own inspection of the documents without compromising the confidentiality of such documents.

In their third-round reply comments, TURN states that its representatives focused on note-taking during their on-premises review of the documents and subsequently relied on their notes to continue analysis of the "no copies" materials, given the limitations of the "no copies" documents themselves.

Based on the on-premises review and further consideration of the notes taken, TURN's experts determined it would have been extremely inefficient to perform additional manual review as the bulk of what was not transcribed on April 26, 2005, consisted of columns of numbers in spreadsheets. As TURN points out, the significance of the numbers rests largely on the underlying calculation used to derive those results, which cannot be seen in a paper version

of a spreadsheet model. Thus, TURN did not develop detailed data requests about the paper printout of the national model after discovering that it was a printout of an Excel file designed to compute new results based on variable input assumptions. The most logical and efficient course is for TURN to see the spreadsheet/model. Without access to the underlying model, TURN's only alternative would be the wasteful and tedious task of drafting additional questions about the formulas behind each number. Accordingly, the TURN motion is granted.

Request to File Confidential Version Under Seal

In conjunction with filing its motion to compel, TURN concurrently filed a motion to request confidential treatment of a proprietary version of its motion which contains information that Joint Applicants allege to be proprietary, and to have the proprietary version of its motion filed under seal. TURN acquired the proprietary information under a nondisclosure agreement with the Joint Applicants. In addition, confidential information submitted by a public utility is protected by Public Utilities Code Section 583 and General Order 66-C.

In a separate reply to the TURN Motion, XO Communications Services, Inc. argues that the Commission should require Joint Applicants to consent to TURN's providing XO an unredacted copy of the Motion. Also, to help expedite the proceeding and limit potential duplicative evidentiary showings, XO argues that the Commission should rule that parties that have signed the Nondisclosure Agreements may discuss among themselves any information claimed by the Joint Applicants to be confidential, including "no copies" documents.

TURN's motion to file its confidential under seal is granted. The XO request will be taken under consideration and addressed in a separate ruling.

IT IS RULED that:

1. TURN's motion to file a proprietary copy of its motion under seal is hereby granted.

2. TURN's motion to compel discovery and reclassify documents is granted on the following basis.

3. Both ORA and TURN are hereby granted access to the Models and Worksheets, described in the Ruling above, for two business days at the offices of Pillsbury Winthrop Shaw Pittman LLP in San Francisco, California.

Arrangements to accommodate ORA and TURN shall be provided without delay. These materials will be provided confidentially. ORA and TURN's counsel and consultants may take notes and obtain paper copies relating to the model on a confidential basis, but SBC is not required to turn over electronic Models and Worksheets for use in environments that would interfere with SBC's continuing custody and control of its proprietary information. Any paper copies, notes or reflections or references to this review should be maintained as required by state law and the Non-Disclosure and Protective Agreement executed by TURN.

4. Applicants shall promptly provide complete responses to TURN Data Requests 1-8, 1-9, 1-14 through 1-18, and 3-2, including provision of complete versions of the six "no copies" documents, as referenced above, under the standard terms of the Nondisclosure and Protective Agreement that is being used in this proceeding.

5. The requests of XO Communications, as set forth in its comments shall be addressed in a separate ruling.

Dated May 20, 2005 in San Francisco, California.

/s/ THOMAS R. PULSIFER

Thomas R. Pulsifer
Administrative Law Judge

CERTIFICATE OF SERVICE

I certify that I have by mail, and by electronic mail to the parties for whom an electronic mail address has been provided, this day served a true copy of the original attached Administrative Law Judge's Ruling Granting Motion to Compel and Reclassify Discovery Documents on all parties of record in this proceeding or their attorneys of record.

Dated May 20, 2005, at San Francisco, California.

/s/ ELIZABETH LEWIS
Elizabeth Lewis

N O T I C E

Parties should notify the Process Office, Public Utilities Commission, 505 Van Ness Avenue, Room 2000, San Francisco, CA 94102, of any change of address to insure that they continue to receive documents. You must indicate the proceeding number on the service list on which your name appears.

The Commission's policy is to schedule hearings (meetings, workshops, etc.) in locations that are accessible to people with disabilities. To verify that a particular location is accessible, call: Calendar Clerk (415) 703-1203.

If specialized accommodations for the disabled are needed, e.g., sign language interpreters, those making the arrangements must call the Public Advisor at (415) 703-2074, TTY 1-866-836-7825 or (415) 703-5282 at least three working days in advance of the event.